

Claims

- [c1] A method for financing a real estate transaction between a conditional fee purchaser and a conditional remainder purchaser, said method comprising:
- (a) executing a conditional fee agreement with regards to purchasing real property between said conditional fee purchaser and said conditional remainder purchaser, said conditional fee agreement having a determination date;
 - (b) executing a real estate sales contract between said conditional fee purchaser, said conditional remainder purchaser, and a seller of a piece of real property;
 - (c) payment by said conditional fee purchaser to the seller of the amount owed by said conditional fee purchaser under the real estate sales contract;
 - (d) payment by said conditional remainder purchaser of closing costs and down payment for the purchase of said real property as required under the real estate sales contract;
 - (e) recording of the deed containing conditional fee language by the seller, after all closing requirements are met; and,
 - (f) receipt by said conditional remainder purchaser on said determination date of either a fee simple interest in said real property, or a payment for said conditional remainder purchaser's share of said fee simple interest by said conditional fee purchaser.

- [c2] The method of Claim 1, wherein said conditional fee agreement comprises:
- (a) said conditional remainder purchaser paying a down payment to the seller;
 - (b) said conditional remainder purchaser paying closing costs for the sale of said real property;
 - (c) said determination date when said fee simple interest will rest in either said conditional fee purchaser or said conditional remainder purchaser; and,
 - (d) conditions upon which said fee simple interest will automatically vest in said conditional remainder purchaser, prior to said determination date.

[c3] The method of Claim 1, wherein said conditional fee purchaser finances the payment due the seller through a financial institution and said conditional remainder purchaser guarantees said conditional fee purchaser's loan with the financial institution.

[c4] The method of Claim 1, wherein said conditional fee purchaser pays the seller cash for said conditional fee interest in said real property.

[c5] The method of Claim 2, wherein the conditions upon which said fee simple interest automatically vests in said conditional remainder purchaser comprise the group consisting of said conditional fee purchaser's failure to pay to conditional remainder purchaser a fixed dollar amount less than the fair market value on the determination date, said conditional fee purchaser's failure to pay to said conditional remainder purchaser a fixed dollar amount above the fair market value at the date the conditional fee agreement goes into effect on said determination date, initiating of collection actions by the financial institution against said conditional fee purchaser, initiation of foreclosure action by the financial institution against said conditional fee purchaser, said conditional fee purchaser's failure to pay property taxes on said real property, said conditional fee purchaser's failure to maintain hazard insurance on said real property, said conditional fee purchaser's failure to maintain flood insurance, if applicable, on said real property, and combinations thereof.

[c6] The method of Claim 1, wherein said conditional remainder purchaser is the seller of said real property.

[c7] The method of Claim 3, wherein said conditional remainder purchaser is the financial institution.

[c8] The method of Claim 3, wherein said conditional remainder purchaser does not guarantee said conditional fee purchaser's loan with the financial institution.

[c9] The method of Claim 8, wherein an initiation of a collection action by a financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.

[c10] The method of Claim 8, wherein an initiation of a foreclosure action by the financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.

[c11] The method of Claim 1, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser on said determination date is a fixed price at the time of entering said conditional fee agreement.

[c12] The method of Claim 1, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser at said determination date is said amount of the fair market value of said real property on said determination date.

[c13] A method for financing a real estate transaction between a conditional fee purchaser and a conditional remainder purchaser, said method comprising:

- (a) storing in a computer system information relating to said conditional fee purchaser, said conditional remainder purchaser, and said real estate transaction;
- (b) negotiating and executing a conditional fee agreement with regards to purchasing real property between said conditional fee purchaser and said conditional remainder purchaser, said conditional fee agreement having a determination date;
- (c) storing information in the computer system relating to said conditional fee agreement;
- (d) executing a real estate sales contract between said conditional fee purchaser, said conditional remainder purchaser, and a seller of a piece of real property;
- (e) storing information in the computer system relating to said the piece of real property and the seller;
- (f) payment by said conditional fee purchaser to the seller of the amount owed by said conditional fee purchaser under the real estate sales contract;
- (g) payment by said conditional remainder purchaser of closing costs and down payment for the purchase of said real property as required under

the real estate sales contract;

(h) recording of the deed containing conditional fee language by the seller, after all closing requirements are met; and,

(i) receipt by said conditional remainder purchaser on said determination date of either a fee simple interest in said real property, or a payment for said conditional remainder purchaser's share of said fee simple interest by said conditional fee purchaser.

[c14] The method of Claim 13, wherein said conditional fee agreement comprises:

(a) said conditional remainder purchaser paying a down payment to the seller;

(b) said conditional remainder purchaser paying closing costs for the sale of said real property;

(c) said determination date when said fee simple interest will rest in either said conditional fee purchaser or said conditional remainder purchaser; and,

(d) conditions upon which said fee simple interest will automatically vest in said conditional remainder purchaser, prior to said determination date.

[c15] The method of Claim 13, wherein said conditional fee purchaser finances the payment due the seller through a financial institution and said conditional remainder purchaser guarantees said conditional fee purchaser's loan with the financial institution.

[c16] The method of Claim 14, wherein the conditions upon which said fee simple interest automatically vests in said conditional remainder purchaser comprise the group consisting of said conditional fee purchaser's failure to pay to conditional remainder purchaser a fixed dollar amount less than the fair market value on the determination date, said conditional fee purchaser's failure to pay to said conditional remainder purchaser a fixed dollar amount above the fair market value at the date the conditional fee agreement goes into effect on said determination date, initiating of collection actions by the financial institution against said conditional fee purchaser, initiation of foreclosure action by the financial institution against said conditional fee purchaser, said conditional fee

purchaser's failure to pay property taxes on said real property, said conditional fee purchaser's failure to maintain hazard insurance on said real property, said conditional fee purchaser's failure to maintain flood insurance, if applicable, on said real property, and combinations thereof.

[c17] The method of Claim 15, wherein said conditional remainder purchaser is the financial institution.

[c18] The method of Claim 13, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser on said determination date is a fixed price at the time of entering said conditional fee agreement.

[c19] The method of Claim 13, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser at said determination date is said amount of the fair market value of said real property on said determination date.

[c20] The method of Claim 13, wherein said method further comprises storing in a computer system information relating to a financial institution used by conditional fee purchaser to finance the payment due the seller.

[c21] A method for investing in real property, wherein said investor is a conditional remainder purchaser, said method comprising said conditional remainder purchaser:

- (a) identifying a third party who wishes to purchase a piece of real property, said third party to be known as a conditional fee purchaser;
- (b) negotiating and executing a conditional fee agreement with said conditional fee purchaser, said conditional fee agreement having a determination date;
- (c) locating a piece of real property, which said conditional remainder purchaser and said conditional fee purchaser are interested in purchasing;
- (d) executing a real estate sales contract between said conditional remainder purchaser, said conditional fee purchaser, and a seller of said piece of real property of interest;
- (e) paying the seller of said piece of real property of interest a down

payment and covering closing costs for the purchase of said real property, as required under the real estate sales contract and the conditional fee agreement;

(f) ensuring said conditional fee purchaser pays the seller the amount owed by said conditional fee purchaser for said piece of real property under the real estate sales contract;

(g) ensuring a deed containing conditional fee language agreed to in said conditional fee agreement is recorded by the seller, after all closing requirements are met; and,

(h) receiving on said determination date either a fee simple interest in said real property from said conditional fee purchaser, or a payment for said conditional remainder purchaser's share of said fee simple interest by said conditional fee purchaser.

[c22]

The method of Claim 21, wherein said conditional fee agreement comprises

(a) said conditional remainder purchaser paying a down payment to the seller;

(b) said conditional remainder purchaser paying closing costs for the sale of said real property;

(c) said determination date when said fee simple interest will rest in either said conditional fee purchaser or said conditional remainder purchaser; and,

(d) conditions upon which said fee simple interest will automatically vest in said conditional remainder purchaser, prior to said determination date.

[c23]

The method of Claim 21, wherein said conditional fee purchaser finances the payment due the seller through a financial institution and said conditional remainder purchaser guarantees said conditional fee purchaser's loan with the financial institution.

[c24]

The method of Claim 22, wherein the conditions upon which said fee simple interest automatically vests in said conditional remainder purchaser comprise the group consisting of said conditional fee purchaser's failure to pay to conditional remainder purchaser a fixed dollar amount less than the fair market

value on the determination date, said conditional fee purchaser's failure to pay to said conditional remainder purchaser a fixed dollar amount above the fair market value at the date the conditional fee agreement goes into effect on said determination date, initiating of collection actions by the financial institution against said conditional fee purchaser, initiation of foreclosure action by the financial institution against said conditional fee purchaser, said conditional fee purchaser's failure to pay property taxes on said real property, said conditional fee purchaser's failure to maintain hazard insurance on said real property, said conditional fee purchaser's failure to maintain flood insurance, if applicable, on said real property, and combinations thereof.

- [c25] The method of Claim 21, wherein said conditional remainder purchaser is the seller of said real property.
- [c26] The method of Claim 23, wherein said conditional remainder purchaser is the financial institution.
- [c27] The method of Claim 23, wherein said conditional remainder purchaser does not guarantee said conditional fee purchaser's loan with the financial institution.
- [c28] The method of Claim 27, wherein an initiation of a collection action by a financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.
- [c29] The method of Claim 27, wherein an initiation of a foreclosure action by the financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.
- [c30] The method of Claim 21, wherein the price said conditional remainder purchaser is to receive from said conditional fee purchaser on said determination date is a fixed price at the time of entering said conditional fee agreement.
- [c31] The method of Claim 21, wherein the price said conditional remainder purchaser is to receive from said conditional fee purchaser at said determination date is said amount of the fair market value of said real property

on said determination date.

[c32] A method for purchasing real property, wherein said purchaser is a conditional fee purchaser, said method comprising said conditional fee purchaser:

- (a) identifying a third party who wishes to invest in real property, said third party to be known as a conditional remainder purchaser;
- (b) negotiating and executing a conditional fee agreement with said conditional remainder purchaser, said conditional fee agreement having a determination date;
- (c) locating a piece of real property, which said conditional fee purchaser and said conditional remainder purchaser are interested in purchasing;
- (d) executing a real estate sales contract between said conditional fee purchaser, said conditional remainder purchaser, and a seller of said piece of real property of interest;
- (e) paying the seller the amount owed by said conditional fee purchaser for said piece of real property under the real estate sales contract;
- (f) ensuring said conditional remainder purchaser pays the seller of said piece of real property of interest a down payment and covering closing costs for the purchase of said real property as required under the real estate sales contract and the conditional fee agreement;
- (g) ensuring a deed containing conditional fee language agreed to in said conditional fee agreement is recorded by the seller, after all closing requirements are met; and,
- (h) on said determination date, either giving a fee simple interest in said real property to said conditional remainder purchaser, or paying said conditional remainder purchaser for said conditional remainder purchaser's share of said fee simple interest.

[c33] The method of Claim 32, wherein said conditional fee agreement comprises:

- (a) said conditional remainder purchaser paying a down payment to the seller;

- (b) said conditional remainder purchaser paying closing costs for the sale of said real property;
- (c) said determination date when said fee simple interest will rest in either said conditional fee purchaser or said conditional remainder purchaser; and,
- (d) conditions upon which said fee simple interest will automatically vest in said conditional remainder purchaser, prior to said determination date.

- [c34] The method of Claim 32, wherein said conditional fee purchaser finances the payment due the seller through a financial institution and said conditional remainder purchaser guarantees said conditional fee purchaser's loan with the financial institution.
- [c35] The method of Claim 32, wherein said conditional fee purchaser pays the seller cash for said conditional fee interest in said real property.
- [c36] The method of Claim 33, wherein the conditions upon which said fee simple interest automatically vests in said conditional remainder purchaser comprise the group consisting of said conditional fee purchaser's failure to pay to conditional remainder purchaser a fixed dollar amount less than the fair market value on the determination date, said conditional fee purchaser's failure to pay to said conditional remainder purchaser a fixed dollar amount above the fair market value at the date the conditional fee agreement goes into effect on said determination date, initiating of collection actions by the financial institution against said conditional fee purchaser, initiation of foreclosure action by the financial institution against said conditional fee purchaser, said conditional fee purchaser's failure to pay property taxes on said real property, said conditional fee purchaser's failure to maintain hazard insurance on said real property, said conditional fee purchaser's failure to maintain flood insurance, if applicable, on said real property, and combinations thereof.
- [c37] The method of Claim 34, wherein said conditional remainder purchaser does not guarantee said conditional fee purchaser's loan with the financial institution.
- [c38] The method of Claim 37, wherein an initiation of a collection action by a

financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.

[c39] The method of Claim 37, wherein an initiation of a foreclosure action by the financial institution does not automatically vest the fee simple interest in said conditional remainder purchaser.

[c40] The method of Claim 32, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser on said determination date is a fixed price at the time of entering said conditional fee agreement.

[c41] The method of Claim 32, wherein the price said conditional fee purchaser is to pay said conditional remainder purchaser at said determination date is said amount of the fair market value of said real property on said determination date.

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